

### **Remarks**

Claims 1-37 are pending.

Claims 27-37 are cancelled.

Claims 38-46 are new.

Claims 1-37 are rejected.

The drawings are accepted. Applicant requests reconsideration in view of the claim amendments above and the following remarks.

### **Claim Amendments and New Claims**

Claims 1-13 have been amended. Claims 38-46 are new. Support for the new claims and amendments may be found in the Application as filed, for example, pages 19-21. No new matter has been added.

### **Official Notice**

Regarding claims 18-21, the Examiner took Official Notice that a variety of factors in the claims would have been obvious to one skilled in the art based on the motivation of being able to better estimate future claims. The Examiner is reminded that "Any rejection based on assertions that a fact is well-known or is common knowledge in the art without documentary evidence to support the examiner's conclusion should be judiciously applied. Furthermore, as noted by the court in Ahlert, any facts so noticed should be of notorious character and serve only to "fill in the gaps" in an insubstantial manner." MPEP 2144.03 E. Accordingly, the Applicant traverses all Official Notices and demands that the Examiner produce authority for the statements to conform with requirements established under the MPEP and in common law. In particular:

The Examiner took Official Notice that one factor for calculating an insurance premium, an expected result of a geographic spread accomplished by a technical protection service, would be obvious to one skilled in the art. Although the Applicant agrees that geographic spread of multiple entities of a group may be a part of insurance premium calculation for each member of the group, geographic spread accomplished by a technical protection service used for an insurance premium calculation would not be obvious to one skilled in the art.

The Examiner took Official Notice that the following factors for calculating an insurance premium would be obvious to one skilled in the art: (a) data recovery time resulting from a technical protection service, and (b) an expected result of multiple recovery methods and virus protection

provided by a technical protection service. As described in the Application on page 3, data itself is normally not insured because it is subject to pure risk. The chance of data loss is viewed as being so unpredictable that the risk to the data is a pure risk. Pure risk is not traditionally considered a good business model for an insurance underwriter. Thus, even if some form of the above described factors for premium calculations were known to one skilled in the art, they were not known with respect to insurance of data.

The Examiner took Official Notice that the right of an insurer to inspect and approve data recovery facilities would be obvious to one skilled in the art. Although the Applicant agrees that an insurer may reserve a right to inspect a facility, the Applicant asserts that it is not well known in the art for an insurer to inspect a data recovery facility.

### **Claim Rejections**

Claims 1-13 and 24-26 are rejected under 35 USC 102(b) as being anticipated by U.S. Patent No. 5,771,354 to Crawford.

Claims 14-23 are rejected under 35 USC 103(a) as being unpatentable over Crawford in view of U.S. Patent No. 6,615,181 to Segal. Other cancelled claims were rejected under 35 USC 103(a) as being unpatentable over Crawford in view of Segal and U.S. Patent No. 5,970,464 to Apte.

The Applicants traverse these rejections on the grounds that the following limitations, *inter alia*, are clearly not found within the prior art of record and that the claims should thus be in allowable form:

- Claim 1 as amended (and dependant claims 2-13) includes establishing a technical protection service, the technical protection service protecting at least one of data of the entity and a presence of the entity; and obtaining the data / presence insurance by providing evidence of existence of the technical protection service. Crawford does not discuss insurance.
- Claim 14 (and dependant claims 15-23) includes calculating a premium for the data / presence insurance coverage, the premium calculation depending on an expected result of the technical protection service. In any of the services described in the cited references, actions are taken based on the result of the system, not on an expected result.
- Claim 24 (and dependant claims 25-26) includes a technical services means for supporting the provision to the insured entity of technical data protection services pursuant to an agreement whose named parties or intended beneficiaries include a technical services provider, an insurer, and the insured entity. As described above, Crawford does not teach

insurance or an insurer. In addition, Crawford does not teach an agreement naming an insurer or having an insurer as an intended beneficiary.

- Claim 38 (and dependant claims 29-46) includes determining an exposure period, the exposure period based on a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume, and calculating an insurance premium using the exposure period. Even though Crawford discloses a backup system, none of the cited references suggests basing an insurance premium on the time it takes a data change to move from a local data volume to a remote data volume.

### **Claim Rejections under 35 USC 103(a)**

#### **(A) Claims 1-13**

Claim 1 includes establishing a technical protection service, the technical protection service protecting at least one of data of the entity and a presence of the entity; and obtaining the data / presence insurance by providing evidence of existence of the technical protection service. Crawford does not discuss insurance. Segal discusses professional malpractice and counterclaim insurance and includes a method for determining a premium for the insurance. Jones, col. 8, ll. 44-51. Apte describes searching or classifying policy holders into distinct risk groups. Apte, Abstract.

First, in the references that discuss insurance, none discuss data / presence insurance. As described above, Segal discusses professional malpractice and counterclaim insurance. Apte uses vehicle insurance as an example and does not disclose any other specific type of insurance. Furthermore, none of the references suggest data / presence insurance.

Second, although Crawford discloses a backup system, evidence of the existence of the backup system is not used in obtaining data / presence insurance. Segal focuses on the calculation of professional malpractice and counterclaim insurance premiums and creation of a database of the insured professionals. Segal, col. 6, ll. 47-58. Apte focuses on the grouping of policy holders. Neither Segal nor Apte discusses the criteria for obtaining the insurance. In addition, neither Crawford, Segal, nor Apte suggest using evidence of the existence of a technical protection service as a criteria for obtaining insurance, specifically, a technical protection service protecting at least one of data of the entity and a presence of the entity. As a result, the combination of Crawford, Segal, and Apte does not teach or suggest each and every element of claim 1 and dependent claims 2-7.

Claim 2 includes reporting to the insurer on the status of the technical protection service. Claim 16 has a similar element. The Examiner has argued that the technical services provider in

Crawford is the same as the insurer. The portion of Crawford cited by the Examiner for support describes the capabilities of the on-line service of Crawford as data storage, program storage, processing, input/output devices, software, and computing services. None of these capabilities are insurance. Thus, the technical services provider is not an insurer. Furthermore, there is no suggestion in Crawford, Segal, or Apte to provide the insurance related services of Segal or Apte in the on-line system of Crawford.

In addition, even if the system of Crawford is modified to provide the services of the systems of Segal and Apte, the addition does not make the service provider in Crawford an insurer. Segal is a computer system for supporting a plan of counterclaim insurance. Segal, Abstract. Apte is a system for underwriting profitability analysis. Such systems are used by insurers. The provision of such services does not make the service provider an insurer. Thus, the service provider in Crawford is not an insurer, nor is it suggested by Crawford, Segal, and Apte.

As a result, if Crawford is the technical service provider, there is no suggestion of reporting on the status of the technical protection service to an insurer. Thus, the combination of Crawford, Segal, and Apte does not teach or suggest each and every element of claim 2.

Claim 8 includes informing an insurer of capabilities of the technical protection service prior to issuance of the data / presence insurance policy, and reporting on a status of the technical protection service to the insurer after issuance of the data / presence insurance policy. As described above, the service provider of Crawford is not an insurer and there is no suggestion to report or inform an insurer on the status of the technical protection service. Furthermore, even if the status of a technical protection service is provided to an insurer, there is no suggestion that capabilities of the technical protection service are provided to an insurer prior to issuance of an insurance policy. As a result, the combination of Crawford, Segal, and Apte does not teach or suggest each and every element of claim 8 and dependent claims 9-13.

(B) Claims 14-23

Claim 14 includes calculating a premium for the data / presence insurance coverage, the premium calculation depending on an expected result of the technical protection service. The Examiner stated that this element is not taught in Crawford.

In Segal, a premium structure is calculated based on actuarial data such as litigation frequency and cost. Segal, col. 8, ll. 56-63. Litigation frequency is a percentage of claims where a doctor is sued, suits that go to trial, trials where the physician wins, etc. Segal, col. 30, l. 64 – col.

31, l. 11. All such information is data from the past. None of these factors is an expected result of a technical protection service.

Furthermore, an expected result of the database in Segal is not used to calculate a premium. In Segal, a database of covered individuals is publicized to deter the filing of claims against the individual. Segal, col. 6, ll. 29-34. If the database had any effect on premiums, the effect would be in the future. First, the database is set up. Over time, the number of claims is reduced. Afterwards, premiums based on the number of claims may be reduced. In order for the premium to be affected by an expected result of the database, a prediction of a future reduction in claims must be made. There is no suggestion of such a prediction of a reduction of future claims due to the database being used in the calculation of a premium.

In Apte, there is no mention of an expected result of the services being used to calculate a premium for data / presence insurance. The system in Apte does aid in the calculations of premiums. However, it is the result of the system that is used to calculate premiums, not the expected result of the system. Apte, Abstract. Apte does mention “what-if” scenario analysis. Apte, col. 4, ll. 28-40. However, in the “what-if” analysis, the user interactively experiments by fine-tuning eligibility criteria. By viewing the resulting calculated premiums, the user can make a decision on prospective insurance product offerings. All of this is based on a result of the system, not an expected result.

Therefore, there is no system taught or suggested by the Crawford, Segal, and Apte that uses an expected result of a technical protection service to calculate an insurance premium.

Claim 14 also includes contracting with the insured entity for the data / presence insurance coverage in view of the technical protection service, the contracting step memorialized in an agreement whose named parties or intended beneficiaries include the insurer and the insured entity. The Examiner argued that this is taught in Crawford. However, as described above, a service provider in Crawford is not an insurer, and none of the systems provide insurance. Although a customer may be assured that their data will be preserved by Crawford’s backup system, that assurance is not insurance in the event of a loss of the data. Thus, Crawford does not teach that the service provider can contract to provide insurance.

Furthermore, only malpractice insurance, counterclaim insurance, and vehicle insurance are described in Segal and Apte. Although the system in Apte could be used for various types of insurance, no other insurance types are mentioned. As a result, the combination of Crawford, Segal, and Apte does not teach or suggest data / presence insurance.

As a result, the combination of Crawford, Segal, and Apte does not teach or suggest each and every element of claim 14, and dependent claims 15-23.

The Examiner noted that the combination of Crawford and Segal does not teach the additional elements of claims 18-21. As described above, the Applicant traverses the Examiners Official Notices and requests that the Examiner withdraw the rejection of claim 18-21.

Claims 6, 7, 12, 13, 22, and 23 all include either data insurance or presence insurance. As described above, no such types of insurance are taught or suggested in the combination of Crawford, Segal, and Apte. As a result, the combination of Crawford, Segal, and Apte does not teach or suggest each and every element of claims 6, 7, 12, 13, 22, and 23.

(C) Claims 38-46

Claim 38 includes determining an exposure period, the exposure period based on a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume. Although Crawford may disclose backup and archival services (see Crawford, Abstract and col. 14, ll. 45-61), Crawford does not teach an exposure period based on the time between data changes on a local data volume and a remote data volume. In fact, in Crawford, the customer files are archived after they have been inactive for a specified period of time. See Crawford, col. 14, ll. 46-48. Thus, for archiving, data that is sent is data that has not changed for a period of time.

As described above, in Segal, a premium structure is calculated based on actuarial data such as litigation frequency and cost. None of these factors is a time period based on the time between data changes on a local data volume and a remote data volume. Furthermore, there is no suggestion in Crawford, Segal, or Apte of such a time period.

Even if there was such a time period disclosed by the combination of Crawford, Segal, and Apte, claim 38 also includes calculating an insurance premium using the exposure period. As described above, the insurance premium of Segal is not based on any time period. Segal suggests basing an insurance premium on litigation frequency and costs. The Examiner stated that Crawford does not teach calculating a premium for insurance coverage. In Apte, premiums are calculated using transactional data such as policies and claims, and external data such as demographic and physiographic data. Thus, neither Crawford, Segal, Apte, nor the combination of references teach or suggest calculating an insurance premium using the exposure period.

As a result, the neither Crawford, Segal, nor the combination teaches or suggests each and every element of claim 38.

Claim 39 includes monitoring a data change rate between the local data volume and the remote data volume, the data change rate indicating a rate at which data changes are transmitted to

the remote data volume; and adjusting the insurance premium in response to the data change rate. At most, Crawford describes determining if a customer file was inactive long enough to be archived. Crawford, col. 14, ll. 46-48. However, determining if the file is inactive does not suggest monitoring a data change rate between a local data volume and a remote data volume.

In addition, even if this inactivity is read as monitoring a data change rate between a local data volume and a remote data volume, the customer file is archived in response. An insurance premium is not adjusted in response. Furthermore, as described above, Segal uses information such as litigation frequency and cost to calculate insurance premiums. Nothing in Segal or Apte suggests using a data change rate to adjust an insurance premium. Thus, neither Crawford, Segal, Apte, nor the combination of the references teach or suggest adjusting an insurance premium in response to such a data change rate.

Furthermore, claim 40 includes limiting coverage for loss of data changes from the local data volume if the data change rate increases above a predefined threshold. No such threshold of a data change rate or a limitation of coverage in response to increasing above the threshold is taught or suggested in Crawford, Segal, Apte or the combination.

Claims 41-44, and 46 all include adjusting or calculating the insurance premium in response to a particular condition. In claim 41, the insurance premium is adjusted in response to a number of the additional remote data volumes. Claim 42 includes calculating the insurance premium in response to an inspection of at least one of the local data volume, the remote data volume, and the communications link. In claim 43, the insurance premium is adjusted in response to the availability of the remote data volume. Claim 44 includes adjusting the insurance premium in response to a geographic dispersion of the available remote data volumes. In claim 46, the insurance premium is calculated using the expected data recovery time. None of these conditions nor an insurance premiums based on any of the conditions is taught or suggested Crawford, Segal, or the combination. As described above, litigation frequency and costs are used to calculate the premiums.

In addition, there is no suggestion in Crawford, Segal, Apte, or the knowledge of a person of ordinary skill in the art to combine Crawford and Segal or Apte. Crawford discusses software rental, backup services, repair services, etc. with respect to a customer's computer. Crawford, Abstract. Segal discusses a system for determining a premium structure for insurance coverage for professional liability. Segal, Abstract. The professional liability insurance is for professionals such as physicians, attorneys, and architects. Segal, col. 1, ll. 49-52. Apte discusses underwriting profitability analysis. Apte, Abstract. Crawford and Segal are from entirely different fields. Similarly, Crawford and Apte are from different fields. About the only relationship between them is that they use computers.

The Examiner stated that an efficient and accurate means of financing the backup system so the backup system could remain financially viable was a motivation to combine the references. Although the financing of a backup system is important to its financial viability, such means of financing does not suggest adding insurance coverage for professional malpractice liability to an internet online backup system.

In addition, the Examiner stated that predicting the actual amount of usage so the backup system could remain financially viable was another motivation to combine the references. Although prediction may be used in calculating insurance premiums, a prediction of usage of a backup system is at best an indicator of future expansion. If the usage of the backup system is predicted to approach its capacity, the solution is to increase capacity to be able to continue to provide the desired backup services. The solution is not to leave the capacity as it is and obtain insurance for professional malpractice liability.

Finally, the Examiner stated that a means for determining a suitable premium structure as recited in Segal is another motivation to combine the references. As stated above, there is no insurance of anything in Crawford. Thus, there is no reason to have a means for determining a premium structure for professional malpractice liability in Crawford.

The Applicant understands that “the tendency to resort to “hindsight” based upon applicant's disclosure is often difficult to avoid due to the very nature of the examination process. However, impermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art.” MPEP 2142. Thus, the Application cannot be used as the motivation to combine the references. The Applicant requests that the Examiner provide a reference that describes that a database of the availability of counterclaim insurance may be interchanged with an internet online backup system. Furthermore, the mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. MPEP 2143.01 III. quoting In re Mills, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990).

### **Claim Rejections under 35 USC 102(b)**

Claim 24 includes a technical services means for supporting the provision to the insured entity of technical data protection services pursuant to an agreement whose named parties or intended beneficiaries include a technical services provider, an insurer, and the insured entity. As described above, Crawford does not teach insurance or an insurer. In addition, Crawford does not teach an



agreement naming an insurer or having an insurer as an intended beneficiary. As a result, Crawford does not teach each and every element of claim 24 and dependent claims 25-26.

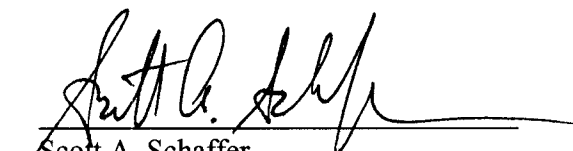
### **Conclusion**

For the foregoing reasons, reconsideration and allowance of claims 1-46 of the application as amended is solicited. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

**Customer No. 20575**

Respectfully submitted,

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